# RE: Economic Impact - updates ?

**From:** "Capeluck, Evan" <"/o=exchangelabs/ou=exchange administrative group (fydibohf23spdlt)/cn=recipients/cn=295ea56b3a614e66a8648bebfa762175-capeluck, e">
**To:** "Turcotte, Julie" <julie.turcotte@fin.gc.ca>, "Yao, Houji" <houji.yao@fin.gc.ca>, "Bilodeau-Fortin, Geoffroy" <geoffroy.bilodeau-fortin@fin.gc.ca>, "Lee, Frank" <frank.lee@fin.gc.ca>, "Torgunrud, Brian" <brian.torgunrud@fin.gc.ca>
**Cc:** "Boileau, Isabelle" <isabelle.boileau@fin.gc.ca>
**Date:** Tue, 22 Feb 2022 14:49:46 +0000

Agreed. Here is suggested language based on the below:

“Our GDP estimates are consistent with Transport Canada’s estimates of the daily economic cost of the Ambassador bridge closure, which pegged the cost to the economy of a full shutdown of the Ambassador Bridge in the range of $45M/day over the first week based on current mitigation efforts put in place by shippers and available alternative options. However, Transport Canada estimated that the impact could have reached $86M/day to $161M/day (extreme case) in the event where other crossings had become unavailable (limiting the scope for re-routing) and the situation dragged on in length.”

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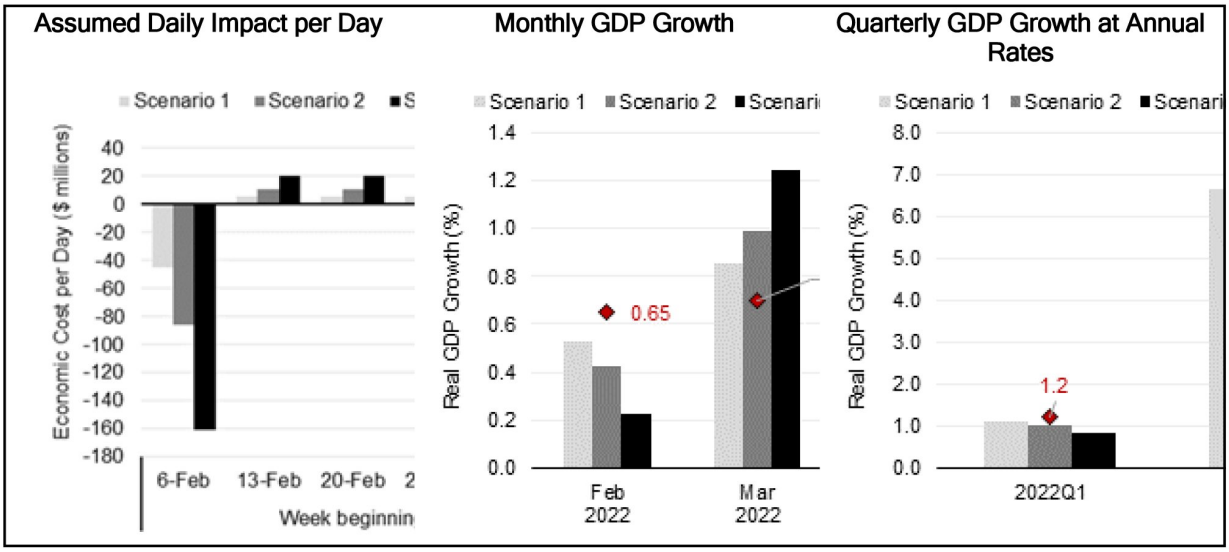
**From:** Turcotte, Julie <Julie.Turcotte@fin.gc.ca>
**Sent:** Tuesday, February 22, 2022 9:11 AM
**To:** Yao, Houji <Houji.Yao@fin.gc.ca>; Capeluck, Evan <Evan.Capeluck@fin.gc.ca>; Bilodeau-Fortin, Geoffroy <Geoffroy.Bilodeau-Fortin@fin.gc.ca>; Lee, Frank <Frank.Lee@fin.gc.ca>; Torgunrud, Brian <Brian.Torgunrud@fin.gc.ca>
**Cc:** Boileau, Isabelle <Isabelle.Boileau@fin.gc.ca>
**Subject:** RE: Economic Impact - updates ?

Hi,
Thanks for this! I made some changes to the first page (verb tense, etc.) to align with recent events, and emphasized some elements. Is that possible to quickly review and further align the Background as needed? Will need to adjust based on our last set of email too. As you can see, still very useful for people to have this, so would like to send back to Rhys this morning.

Also, possible to add some tables/charts like you had here, and write-up? Although not sure its aligned with your latest estimate, we could always refer to this interval if blockades had persisted.
“It is estimated that the cost to the Canadian economy of a full shutdown of the Ambassador Bridge would likely be in the range of $45M/day over the first week based on current mitigation efforts put in place by shippers and available alternative options. However, the impact could reach $86M/day to $161M/day (extreme case) in the event where other crossings become unavailable and the situation drags on in length.”

**Scenarios for Real GDP Impacts**

| | Baseline | Scenario 1 | Scenario 2 | Scenario 3 |
|---|---|---|---|---|
| Net Impact | - | $45M/day | $86M/day | $161M/day |
| Duration | - | 1 week | 1 week | 1 week |
| **Monthly growth (%)** | | | | |
| Feb-2022 | 0.7 | 0.5 | 0.4 | 0.2 |
| Mar-2022 | 0.7 | 0.9 | 1.0 | 1.2 |
| Apr-2022 | 0.5 | 0.4 | 0.4 | 0.4 |
| **Quarterly growth at annual rates (%)** | | | | |
| 2022Q1 | 1.2 | 1.1 | 1.0 | 0.8 |
| 2022Q2 | 6.5 | 6.7 | 6.8 | 7.0 |
| **Annual growth (%)** | | | | |
| 2022 | 4.6 | 4.6 | 4.6 | 4.6 |

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**From:** Yao, Houji <Houji.Yao@fin.gc.ca>
**Sent:** Friday, February 18, 2022 5:59 PM
**To:** Turcotte, Julie <Julie.Turcotte@fin.gc.ca>; Capeluck, Evan <Evan.Capeluck@fin.gc.ca>; Bilodeau-Fortin, Geoffroy <Geoffroy.Bilodeau-Fortin@fin.gc.ca>; Lee, Frank <Frank.Lee@fin.gc.ca>; Torgunrud, Brian <Brian.Torgunrud@fin.gc.ca>
**Cc:** Boileau, Isabelle <Isabelle.Boileau@fin.gc.ca>
**Subject:** RE: Economic Impact - updates ?

Hi Julie,

Please find our updated version of the Backgrounder, V3, for your review.

We estimate that the one week of auto shutdowns have knocked off 0.1-0.2 p.p. off of real GDP growth in Q1, with a similar rebound in Q2. Had the blockade continued for 4 weeks (and plants also shut down), the impact would have been around 0.5 p.p..

https://sharepoint.fin.gc.ca/POLI/EFP/Documents/Economic%20Monitoring/Backgrounder%20-%20Ambassador%20Bridge%20Blockade.docx?web=1

Best,

Houji Yao
Personal Info.
Houji.Yao@fin.gc.ca

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**From:** Yao, Houji
**Sent:** Friday, February 18, 2022 1:43 PM
**To:** Turcotte, Julie <Julie.Turcotte@fin.gc.ca>; Capeluck, Evan <Evan.Capeluck@fin.gc.ca>; Bilodeau-Fortin, Geoffroy <Geoffroy.Bilodeau-Fortin@fin.gc.ca>; Lee, Frank <Frank.Lee@fin.gc.ca>; Torgunrud, Brian <Brian.Torgunrud@fin.gc.ca>
**Cc:** Boileau, Isabelle <Isabelle.Boileau@fin.gc.ca>
**Subject:** RE: Economic Impact - updates ?

Sure, making this top priority. Will send you what I have today.

Best,

Houji Yao
Personal Info.
Houji.Yao@fin.gc.ca

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**From:** Turcotte, Julie <Julie.Turcotte@fin.gc.ca>
**Sent:** Friday, February 18, 2022 1:16 PM
**To:** Yao, Houji <Houji.Yao@fin.gc.ca>; Capeluck, Evan <Evan.Capeluck@fin.gc.ca>; Bilodeau-Fortin, Geoffroy <Geoffroy.Bilodeau-Fortin@fin.gc.ca>; Lee, Frank <Frank.Lee@fin.gc.ca>; Torgunrud, Brian <Brian.Torgunrud@fin.gc.ca>
**Cc:** Boileau, Isabelle <Isabelle.Boileau@fin.gc.ca>
**Subject:** RE: Economic Impact - updates ?

Is today doable? Its so time sensitive that I am afraid that they want to have that handy. Otherwise, Monday would do.
Would also integrate an update on the GDP impact, your best guess and how high that could even gone without resolution (i.e. the scenarios from Transport and associated impacts).

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**From:** Yao, Houji <Houji.Yao@fin.gc.ca>
**Sent:** Friday, February 18, 2022 12:28 PM
**To:** Turcotte, Julie <Julie.Turcotte@fin.gc.ca>; Capeluck, Evan <Evan.Capeluck@fin.gc.ca>; Bilodeau-Fortin, Geoffroy <Geoffroy.Bilodeau-Fortin@fin.gc.ca>; Lee, Frank <Frank.Lee@fin.gc.ca>;

Torgunrud, Brian <Brian.Torgunrud@fin.gc.ca>
**Cc:** Boileau, Isabelle <Isabelle.Boileau@fin.gc.ca>
**Subject:** RE: Economic Impact - updates ?

Hi Julie,

I can take care of updating the situation in the backgrounder. Do you have a timeline for when you need it?

Thanks!

Best,

Houji Yao
Personal Info.
Houji.Yao@fin.gc.ca

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**From:** Turcotte, Julie <Julie.Turcotte@fin.gc.ca>
**Sent:** Thursday, February 17, 2022 5:31 PM
**To:** Capeluck, Evan <Evan.Capeluck@fin.gc.ca>; Bilodeau-Fortin, Geoffroy <Geoffroy.Bilodeau-Fortin@fin.gc.ca>; Lee, Frank <Frank.Lee@fin.gc.ca>; Torgunrud, Brian <Brian.Torgunrud@fin.gc.ca>
**Cc:** Yao, Houji <Houji.Yao@fin.gc.ca>; Boileau, Isabelle <Isabelle.Boileau@fin.gc.ca>
**Subject:** RE: Economic Impact - updates ?

Lovely! Thanks Houji,

Would we be able to provide an update (brief, perhaps 1-2 paragraphs) on the situation in that backgrounder? i.e. traffic resuming since when, delays at crossings (fully?) normalizing, auto plants resuming production (for whom, to what extent, how fast, etc.) but taking some time given backlog….
https://sharepoint.fin.gc.ca/POLI/EFP/Documents/Economic%20Monitoring/Backgrounder%20-%20Ambassador%20Bridge%20Blockade.docx?web=1

Thanks,

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**From:** Capeluck, Evan <Evan.Capeluck@fin.gc.ca>
**Sent:** Thursday, February 17, 2022 5:05 PM
**To:** Bilodeau-Fortin, Geoffroy <Geoffroy.Bilodeau-Fortin@fin.gc.ca>; Turcotte, Julie <Julie.Turcotte@fin.gc.ca>; Lee, Frank <Frank.Lee@fin.gc.ca>; Torgunrud, Brian <Brian.Torgunrud@fin.gc.ca>
**Cc:** Yao, Houji <Houji.Yao@fin.gc.ca>; Boileau, Isabelle <Isabelle.Boileau@fin.gc.ca>
**Subject:** RE: Economic Impact - updates ?

From Houji:

Toyota has resumed normal operations at its 3 plants
Stellantis has resumed normal operations this week, while Ford has resumed partial operation.

https://windsorstar.com/news/local-news/windsor-assembly-adds-saturday-production

https://canada.autonews.com/2022-border-blockade/toyota-resumes-normal-na-operations-after-us-canada-bridge-blockade

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**From:** Bilodeau-Fortin, Geoffroy <Geoffroy.Bilodeau-Fortin@fin.gc.ca>
**Sent:** Thursday, February 17, 2022 4:58 PM
**To:** Turcotte, Julie <Julie.Turcotte@fin.gc.ca>; Capeluck, Evan <Evan.Capeluck@fin.gc.ca>; Lee, Frank <Frank.Lee@fin.gc.ca>; Torgunrud, Brian <Brian.Torgunrud@fin.gc.ca>
**Subject:** RE: Economic Impact - updates ?

Last week every single automaker said that they expected to resume production early this week and based on what happened since it probably actually happened. I can do a quick scan tomorrow AM to see if plants have resumed.

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**From:** Turcotte, Julie <Julie.Turcotte@fin.gc.ca>
**Sent:** Thursday, February 17, 2022 4:49 PM
**To:** Capeluck, Evan <Evan.Capeluck@fin.gc.ca>; Bilodeau-Fortin, Geoffroy <Geoffroy.Bilodeau-Fortin@fin.gc.ca>; Lee, Frank <Frank.Lee@fin.gc.ca>; Torgunrud, Brian <Brian.Torgunrud@fin.gc.ca>
**Subject:** FW: Economic Impact - updates ?

Do I look like I have a magic hat. I don't see how we can operationalize that, really. But if you have views, let me know.
Have you seen anything (anecdotes I guess) on the business side (mainly autos I guess) about production resuming, and how fast?

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**From:** Mendes, Rhys <Rhys.Mendes@fin.gc.ca>
**Sent:** Thursday, February 17, 2022 3:01 PM
**To:** Turcotte, Julie <Julie.Turcotte@fin.gc.ca>
**Subject:** FW: Economic Impact - updates ?

Let me know what you think we can reasonable do, or feel free to reply-all directly.

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**From:** Aitken, Jenifer <jenifer.aitken@fin.gc.ca>
**Sent:** Thursday, February 17, 2022 2:56 PM
**To:** Mendes, Rhys <Rhys.Mendes@fin.gc.ca>
**Cc:** Jacques, Isabelle <isabelle.jacques@fin.gc.ca>; Williams, Tushara <Tushara.Williams@fin.gc.ca>; Turcotte, Julie <Julie.Turcotte@fin.gc.ca>
**Subject:** RE: Economic Impact - updates ?

Hi Rhys

I will check but I think whenever something really changes – if that is possible to say.

Jenifer

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**From:** Mendes, Rhys <Rhys.Mendes@fin.gc.ca>
**Sent:** Thursday, February 17, 2022 1:14 PM

**To:** Aitken, Jenifer <jenifer.aitken@fin.gc.ca>
**Cc:** Jacques, Isabelle <isabelle.jacques@fin.gc.ca>; Williams, Tushara <Tushara.Williams@fin.gc.ca>; Turcotte, Julie <Julie.Turcotte@fin.gc.ca>
**Subject:** RE: Economic Impact - updates ?

Hi Jenifer,

Yes, we can update the information we provided. Any guidance on timelines and how frequently they would be looking for updates?

Rhys

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**From:** Aitken, Jenifer <jenifer.aitken@fin.gc.ca>
**Sent:** Thursday, February 17, 2022 1:11 PM
**To:** Mendes, Rhys <Rhys.Mendes@fin.gc.ca>
**Cc:** Jacques, Isabelle <isabelle.jacques@fin.gc.ca>; Williams, Tushara <Tushara.Williams@fin.gc.ca>
**Subject:** Economic Impact - updates ?

Solicitor-Client Priv.

[redacted]

Jenifer Aitken (she/elle)
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